

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
Fax 847.318.7588



VIA UPS 2nd DAY AIR

October 19, 2004

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

RECORDATION NO. 22581-TT FILED

OCT 25 '04 2-42 PM

SURFACE TRANSPORTATION BOARD

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Lease Agreement, dated July 23, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 22581.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Cascade & Columbia River RR
5300 Broken Sound Blvd., NW
Boca Raton, FL 33487

A description of the railroad equipment covered by the enclosed document is twenty-one (21) 73' centerbeam flat cars, with NOKL marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5387. Thank you for your cooperation in this matter.

Very truly yours,

Georgia Freiburger
Manager of Documentation

Enclosures

(CSCD086)

RECORDATION NO. 22581-77 FILED

ASSIGN. NO.: CSCD086

OCT 25 '04 2-42 PM

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 23rd day of July, 2004, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, Cascade and Columbia River Railroad Co. ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of June 15, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 84 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of June 1, 2004 and subject to the terms, conditions and provisions of the above mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: [Signature]
Name: GEORGIA FREIBURGER
Title: MGR. OF DOCUMENTATION

By: [Signature]
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 23rd day of July, 2004

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR, personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 23rd day of July, 2004.

[Signature]
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)

LESSEE:

CASCADE AND COLUMBIA RIVER
RAILROAD CO.

ATTEST:

By: [Signature]
Name: David McCloud
Title: Manager - Fleet

By: [Signature]
Name: Sandra K. Franger
Title: VP - Logistics

Executed on this 20th day of July, 2004.

[CORPORATE SEAL]

STATE OF Florida
COUNTY OF Palm Beach

I, Michelle Beach, a Notary Public of the County and
State aforesaid, certify that Sandra Franger, personally appeared before
me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 20th day of July, 2004.

[Signature]
Notary Public

My Commission Expires:

March 20, 2008
(Notary Public)



Michelle R. Beach
My Commission BD368534
Expires March 20, 2008

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Twenty-one (21)

DESCRIPTION OF CARS: 73' Centerbeam flat cars

CAR NUMBERS: TNER marks, to be remarked NOKL

Count	Car Initial	Car Number	New Car Initial	New Car Number
1	TNER	9261	NOKL	733541
2	TNER	9262	NOKL	733542
3	TNER	9263	NOKL	733543
4	TNER	9264	NOKL	733544
5	TNER	9266	NOKL	733546
6	TNER	9267	NOKL	733547
7	TNER	9271	NOKL	730212
8	TNER	9272	NOKL	730213
9	TNER	9273	NOKL	730214
10	TNER	9277	NOKL	730218
11	TNER	9279	NOKL	730220
12	TNER	9282	NOKL	730223
13	TNER	9285	NOKL	730226
14	TNER	9286	NOKL	730227
15	TNER	9287	NOKL	730228
16	TNER	9288	NOKL	730229
17	TNER	9290	NOKL	730231
18	TNER	9291	NOKL	730232
19	TNER	9295	NOKL	730236
20	TNER	9297	NOKL	730238
21	TNER	9298	NOKL	730239